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NEW APPLICATION

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AZ CORP COMMISSION
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IN THE MATTER OF MOHAVE
ELECTRIC COOPERATIVE,
INCORPORATED'S REQUEST FOR
APPROVAL OF 2016 - 2017 DEMAND
SIDE MANAGEMENT PLANS AND
ENERGY EFFICIENCY
IMPLEMENTATION PLAN, INCLUDING
DSM ADJUSTMENT TARIFF AND
REQUEST FOR WAIVER.

DOCKET NO. E-01750A-15-0175

APPLICATION AND
REQUEST FOR WAIVER

Mohave Electric Cooperative, Incorporated ("Mohave" or the "Cooperative"), by and through its undersigned attorneys, files its application, pursuant to Arizona Administrative Code ("A.A.C.") R14-2-2418(B), for Arizona Corporation Commission ("Commission") approval of its 2016 - 2017 Demand Side Management Plans and Energy Efficiency Implementation Plan, including a DSM Adjustment Tariff ("2016 - 2017 EE Plan"). A copy of the 2016-2017 EE Plan is attached hereto as Exhibit A. The 2016-2017 EE Plan generally extends the programs approved by Commission Decision No. 74443 with modest refinements as set forth in Exhibit A. Decision No. 74443 granted Mohave's request for a permanent waiver of the annual and cumulative standards contained in A.A.C. R14-2-2418(C) and R14-2-2404. Mohave requests the permanent waivers be affirmed, or, to the extent necessary, be extended or renewed.

/ / /

Arizona Corporation Commission

DOCKETED

MAY 29 2015

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DOCKETED BY

KRU

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14 With a copy to:

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23 WHEREFORE, Mohave Electric Cooperative, Incorporated respectfully requests the
24 Arizona Corporation Commission:

- 25 1. Timely review and approve its 2016 – 2017 Demand Side Management
Programs and Energy Efficiency Implementation Plan as fair and
reasonable;
2. Authorize the implementation of the proposed DSM Adjustor of
\$0.000792 per kWh to be applied to all of the Cooperative's Standard Offer
Tariffs;
3. To the extent necessary, affirm the permanent waiver of the annual and
cumulative energy savings requirements of A.A.C. R14-2-2018(C) and

1 R14-2-2404 granted by Decision No. 74443, or, alternatively, extend or
2 renew same; and

3 4. Grant such other relief as the Commission deems just and appropriate.

4 DATED this 29th day of May, 2015.

5 CURTIS, GOODWIN, SULLIVAN,
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7
8 By:



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PROOF OF AND CERTIFICATE OF MAILING

I hereby certify that on this 29th day of May, 2015, I caused the foregoing document to be served on the Arizona Corporation Commission by delivering the original and thirteen (13) copies of the above to:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

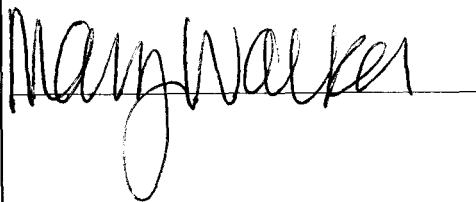


EXHIBIT A

Mohave Electric Cooperative, Incorporated
2016-2017 Demand Side Management Programs and
Energy Efficiency Implementation Plan

Submitted by:

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Manager of Public Affairs and Energy Services

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May 29, 2015

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Mohave Electric Cooperative
2016-2017 Demand Side Management Program and
Energy Efficiency Implementation Plan

As required by the Arizona Corporation Commission (“ACC”) and Arizona Administrative Code (“A.A.C.”) R14-2-2401 et seq., entitled the Electric Energy Efficiency Standards (“EE Standards”), Mohave Electric Cooperative, Incorporated (“MEC”) submits its Energy Efficiency Implementation Plan for the Demand Side Management (“DSM”) Programs for calendar years 2016 through 2017 (2016 -2017 EE Plan) generally continuing its existing programs at the level approved by Commission Decision No. 74443. Simultaneously with docketing its 2016-2017 EE Plan, MEC is requesting affirmation and continuation of the permanent waiver of the energy efficiency requirements established by A.A.C. R14-2-2418(C) and R14-2-2404, and the ACC approved EE implementation plans for MEC substitute therefore.

I. Character of MEC

MEC is a member-owned nonprofit rural electric distribution cooperative headquartered in Bullhead City, Arizona. MEC provides electric service to approximately 32,800 members in portions of Mohave, Coconino, and Yavapai Counties. MEC owns and operates 112 miles of 69KV sub-transmission distribution lines and 1,414 miles of distribution lines. MEC employs approximately 80 employees and provides service to 28 meters per mile of line in its service territory.

MEC is presently a “partial requirements” wholesale power customer of the Arizona Electric Power Cooperative, Inc. (“AEPCO”) and purchases additional wholesale resources from other market providers. In 2014, MEC delivered 649 gigawatt-hours in retail sales to its

of one percent (1%) annually. The average monthly use by residential customers in MEC's service area has declined slightly from 882 kWh in 2013 to 855 kWh in 2014. MEC believes the on-going trend toward lower average monthly usage by residential customers over time is related, in part, to its historical energy efficiency programs. (See Exhibit 1, Mohave Electric Cooperative Historical Usage per Customer).

MEC's service territory has a high population of low income families, and fixed income seniors. The unemployment rate for the area is one of the highest in the state and approximately 19% of the population lives below the federal poverty level. These statistics point to the need for a balanced approach to energy efficiency and demand side management that looks at the impact of increasing energy costs and surcharges for members weighed against the cost and benefit of energy efficiency programs.

II. The Energy Efficiency Standards

A.A.C. R14-2-2418 requires electric distribution cooperatives, like MEC, to design and file, on or before June 1, 2015 for ACC review and approval of its two year implementation plan for each DSM program to be implemented or maintained during the next two years. By Commission Decision No. 74443, MEC requested and received a waiver from meeting the annual and cumulative energy efficiency goals requirements specified in A.A.C. R14-2-2418(C) and R14-2-2404 allowing MEC's approved DSM implementation plans to stand in their stead.

MEC has actively pursued cost effective DSM programs for a number of years. Prior to 2014, MEC did not have a Commission order or specific requirement for approval of its DSM or EE programs. Previously the DSM programs were funded through general rate revenue, and were not funded by a DSM adjustor. MEC's current general rates and charges were approved by

Decision No. 73352, effective September 1, 2012. In rate proceeding Decision 73352, the Commission approved a DSM adjustor mechanism for cost recovery of approved DSM/EE programs in conjunction with the eventual approval of MEC's DSM/EE Plan; however, the plan and DSM adjustor were not approved until April 2014.

MEC's existing DSM and EE Implementation Plan was approved by Decision 74443 on April 18, 2014, establishing a DSM Surcharge of \$0.000792 per kWh, specifying the EE and DSM programs on which the DSM surcharge funds could be expended and waiving the requirements of A.A.C. R14-2-2418 (C) and R-14-2-2404 for MEC.

After modifying its billing program to include the DSM surcharge, MEC began collecting DSM Surcharge revenue in September 2014.

While MEC's proposed 2016-2017 EE Plan is reasonable and appropriate for MEC, the proposed 2016-2017 EE Plan is not likely to meet the levels of energy efficiency required by the EE Standards as will be discussed more fully below. Therefore, MEC is requesting that the existing waiver continue and that its 2016 – 2017 EE Plan substitute for the energy savings set forth in EE Standards.

III. Introduction and Program Portfolio Overview

2014-2015 Approved Programs

- Residential Energy Review and Energy Audit Program
- High Efficiency Heat Pump Rebate
- Operation Cool Shade Tree Program
- Good Cents Energy Efficient New Home

MEC 2016-2017 Energy Efficiency Implementation Plan

- Good Cents Energy Efficient New Home
- Education and Outreach Support Program
- CFL Give-away Program
- Residential Lighting Program
- Residential Low-income Weatherization Program
- Residential Refrigerator/freezer Recycling Program
- Commercial Lighting Discount CFL Program
- Commercial Lighting Program

A description of each program and recommendations for continuation and modification are found in Section IV of this 2016 -2017 EE Plan.

With less than one year of experience with many of these programs, MEC continues to evaluate the individual programs and requests continuation or modification as noted until further measurements are available.

MEC estimates a 2016-2017 EE Plan budget total of approximately \$504,823 per year funded by a proposed continued DSM Surcharge of \$0.000792 per kWh based on forecasted retail sales. Budget details as well as a summary of portfolio energy savings and societal cost/benefits for each program are provided in Exhibit 2, Mohave Electric Cooperative's EE Plan Benefit/Cost Analysis. The proposed budget includes surcharge funds used to pay a portion of administration, advertising, and promotion of the EE and DSM Programs.

Request for Flexibility to Shift EE Funds between Programs

All programs will be available until the budget funds for the program are exhausted.

However, MEC also seeks ACC continued authorization to shift approved EE Plan funds

between programs, in order to increase and decrease budgets for programs in the 2016- 2017 EE Plan as warranted by a program's cost effectiveness and consumer demand. If this flexibility is continued, MEC will notify Staff of any plan to shift funds not less than 30 days prior to implementing the shift. If Staff notifies MEC in writing that it opposes the shift of funds, no shift will occur unless MEC first secures an order of the Commission authorizing the shift.

Goals and Objectives

MEC's goals and objectives for the 2016 - 2017 EE Plan are as follows:

- Implement cost-effective, sustainable energy efficiency programs within the scope of MEC's limited personnel, resources, and budget.
- Secure approval of a reasonable DSM surcharge to fund existing DSM programs that provide opportunities for member participation.
- Increase the amount of energy savings that is already being demonstrated by members with programs that can be funded at a minimal cost and rate impact on members/rate payers.
- When possible, maximize opportunities for coordination of energy efficiency and DSM programs with other electric distribution cooperatives, investor owned utilities, municipal and county governments, and community action agencies.
- Inform and educate members on ways to use energy more efficiently through behavior modification.
- Continue the existing waiver identifying Mohave's proposed programs and the actual savings they generate as MEC's DSM standard.

IV. Energy Efficiency/Demand Side Management Programs

The programs offered in MEC's EE Plan are: Residential Energy Review and Energy Audit Program, High Efficiency Heat Pump Program, Operation Cool Shade Tree Program, Good Cents EE New Home Program, Education and Outreach Support Program, CFL Give-away Program, Residential Lighting Program, Residential Low-income Weatherization Program, Residential Refrigerator/freezer Recycling Program, Commercial Lighting Discount CFL Program, Commercial Lighting Program.

MEC's new EE and DSM programs have been in place for less than a year. Funding of any program through the DSM Surcharge did not commence until September 2014. MEC, therefore, is requesting to extend, and continue its existing programs at the level approved by the Commission by Decision No. 74443 with modest adjustments.

1. Residential Energy Review and Energy Audit Program

This program is a continuation of an energy review of a member's usage provided by Cooperative staff. The program includes both phone support and onsite visits to the customer's location. The objective of the program is to gather information about the member's usage history and observations about the physical residence by phone or onsite visit, and provide recommendations and education so that the member is more informed about using energy wisely.

MEC representatives perform an energy review that includes:

- Survey of HVAC system and ducts, doors, windows, window treatments and shading, thermostat, lighting, electric appliances.

- Review living habits and behavior affecting energy usage.
- Provide recommendations based on the information gathered.
- Distribute handouts on tips for using energy wisely.

Members may also request a more detailed energy audit to be performed by a qualified contractor. The program provides a \$199 incentive toward the cost of this more comprehensive audit.

MEC recommends continuing this program with no changes.

2. Residential and Small Commercial High Efficiency Heat Pump Program

MEC has offered a high efficiency heat pump incentive program for more than ten years. Prior to 2014, the program has paid rebates using General Funds. The program was approved for MEC's 2014-2015 DSM/EE Plan.

The objective of the program is to encourage improvements in residential and small commercial heating and cooling equipment. The program provides rebates based on kWh savings per ton achieved from replacing a less efficient system with a more efficient system in accordance with federal minimum efficiency standards.

MEC performs the marketing, advertising, and tracking of the program, and continuation of this program is recommended.

3. Operation Cool Shade Tree Program

MEC has offered Operation Cool Shade Tree Program for ten years and proposes to continue the program in its approved 2016- 2017 EE Plan. Under the program, members may

purchase low cost, desert adapted shade trees to plant on the south, west, or east side of their homes to provide shading. Mature shade trees help reduce cooling load for MEC and reduce the member's electric bill.

The program further promotes energy savings by including a CFL bulb with each tree purchased. The CFL savings are included as part of the CFL Giveaway Program described below in this section.

Members receive information on planting trees with support from Mohave County Master Gardeners.

Tracking and reporting of the tree program and expected energy savings will be administered by MEC.

This program is recommended for continuation with no changes.

4. Good Cents Energy Efficient New Home Program

MEC has worked with members and contractors building new homes in the service territory since 1993 to promote energy efficiency in new construction. To attain Good Cents certification, the new home must meet the program requirements for energy efficiency and energy savings over the life of the home.

This program was approved in MEC's 2014 - 2015 EE Plan. Cooperative staff will administer the program including inspections to verify the conditions of the Good Cents Certification Program, and tracking of energy savings. A Good Cents home also qualifies for MEC's High Efficiency Heat Pump Rebate Program described earlier.

MEC recommends continuing this program with no changes.

5. Education and Outreach Program

This program's objective is to promote and provide education about energy efficiency at schools and in the community in MEC's Service Territory. The program is facilitated by an MEC representative who attends school and community events such as school science fairs, chamber of commerce meetings, and various civic group meetings, seminars, and workshops.

The programs provide education to attendees about various energy saving tools including MEC's approved EE programs, Together We Save available at the co-op's website, brochures describing low-cost/no cost energy saving tips, and age-appropriate learning activities for children.

Although it is difficult to quantify direct results from this program, member feedback strongly supports that they are benefitting from EE tips learned at these events.

MEC recommends continuing this program with no changes.

6. CFL Give-away Program

This program is implemented in two ways. As part of Operation Cool Shade Tree, described above, MEC provides a CFL with each tree purchased. MEC also gives away a CFL to each new member who signs up for electric service and to each member in attendance at its Annual Meeting.

MEC recommends continuing this program with no changes.

7. Residential Lighting Program

The objective of this program is to encourage installation of energy efficient Compact Fluorescent Light bulbs (CFLs) in member homes. This program offers residential members an opportunity to reduce their energy consumption by purchasing CFLs from local retailers at discount pricing. MEC has negotiated pricing with Tri-State Building Supply/Ace Hardware. Discount coupons are distributed as a billing insert in member bills.

The marketing and advertising of this program is the responsibility of MEC.

MEC recommends continuing this program with no changes.

8. Residential Low Income Weatherization Program

MEC is requesting continued approval for a program that assists low-income members in reducing energy use and lowering utility bills by funding the weatherization of eligible homes.

Weatherization measures include:

- Adding thermal insulation, usually in the attic.
- Shading sun-exposed windows.
- Implementing air leak control measures to reduce excessive infiltration of outside air.
- Testing, tuning and maintaining heating and cooling equipment.
- Reducing duct leakage where heating and central refrigerated air is distributed by a force air system.

- Installing low-flow showerheads and other general and water efficiency measures.

The program provides up to \$2,600 per eligible member residence for weatherization improvements in conjunction with the guidelines of the community action agency for MEC's service territory, Western Arizona Council of Governments ("WACOG"), a state approved weatherization agency. MEC contracts with WACOG for program administration, which includes providing applications, determining eligibility based on income level at 150% of the federal poverty level, evaluation of residence for weatherization measures, labor, materials, and coordination with the Arizona Energy Office.

Reporting and tracking of energy savings is provided by WACOG and the Department of Energy through the Arizona Energy Office.

For its 2016-2017 DSM/EE Plan MEC recommends a modification to the program to include involvement of new low-income weatherization programs facilitated by Bullhead City "Home" Program and Mohave County Housing Development, in addition to the WACOG Program.

No additional budget is needed to include these additional programs. The recommendation is made due to the reduction in WACOG federal funding. With this reduction in funding, WACOG has had a reduction in staff which has also reduced the number of homes they are able to weatherize. By adding the Bullhead City and Mohave County programs, MEC would be able to increase the number of participating members for this program beyond what WACOG can accommodate.

9. Residential Refrigerator/freezer Recycling Program

The program objective is to remove and recycle operating second refrigerators and freezers from member's homes. The intent is to produce long-term electric energy savings by permanently removing operating second appliances, as well as recycling them in an environmentally safe manner. MEC is contracting with JACO, a third party implementation contractor that manages the pickup, recycling, and tracking of the units.

The marketing and advertising of this program is the responsibility of MEC.

MEC's program provides a \$30 rebate per unit that is paid to the member by JACO. The program operates during the months of April through November.

MEC recommends continuing this program with a modification to increase the incentive amount to \$35 in order to bring the amount closer to the \$50 rebate offered by Unisource.

10. Commercial Lighting Discount CFL Program

The objective of this program is to promote installation of energy efficient Compact Fluorescent Light bulbs (CFLs) in member businesses. This program offers commercial members an opportunity to reduce their energy consumption by purchasing CFLs at discount pricing. MEC has negotiated CFL pricing with local retailer Tri-State Building Supplies/Ace Hardware.

The marketing and advertising of this program will be the responsibility of MEC. Coordination and tracking reports for member CFL purchases will be provided by the third party retailer.

MEC recommends continuation of this program with no changes.

11. Commercial Lighting Program

This program helps commercial customers replace less efficient lighting with higher efficiency equipment. The program provides a rebate for the per watt savings associated with the lighting change, up to a maximum incentive amount per customer.

MEC provides a rebate of \$0.04 per watt.

Administration of this program is provided by MEC in coordination with the customer's contractor to provide the details of the lighting changes and the expected savings.

MEC recommends continuation of this program with no changes.

V. Special Data Collection

A budget is provided for special data collection in association with the Low-income Weatherization Program. MEC asks participants in the residential low-income weatherization program to volunteer for an energy usage monitoring program. For approximately 20 low-income residences approved, and participating in the low-income weatherization program, MEC pays the cost of an energy audit and collects data both before, and after the weatherization improvements are installed. MEC monitors the impacts in the participants' electric bills for a 12-month period after completion of the weatherization.

The intent of collecting this data is to assist MEC in potential recommendations for future refinements to the residential low-income weatherization program in order to improve the cost effectiveness of the program. Special Data Collection is a measurement and evaluation tool.

MEC recommends continuing Special Data Collection without changes.

VI. General Administration

The General Administration budget is provided to recover administrative costs including plan preparation, securing Commission review, approval of the implementation plans, and reporting and notices required by A.C.C. R14-2-2405 thru-2409.

Additionally when new or modified EE/DSM programs are introduced, MEC incurs costs to develop and revise promotional and educational materials and to implement accounting procedures for tracking revenue and expenses.

These expenses apply across all, or several programs, and are allocated as general administrative costs, rather than allocated to specific programs.

MEC recommends continuing General Administration without changes.

VII. EE/DSM Plan Budget and Tariff

EE Plan Budget

MEC estimates an EE Plan Budget Total of approximately \$504,823 annually for 2016 and 2017. A detailed budget, by program, can be found in the attached Exhibit 2, Mohave Electric Cooperative EE Plan. It is anticipated the DSM surcharge required to implement the Plan will continue at \$0.000792 per kWh based on forecasted retail sales.

Energy savings projections associated with the proposed EE Plan, pursuant to the EE Standards, are anticipated to total \$2,498,310 annually in savings. The savings by EE and DSM Program is attached as Exhibit 4, Mohave DSM Plan. MEC is requesting the permanent waiver of the EE Standards established by A.A.C. R14-2-2418(C) and R14-2-2404 contained in Decision No. 74443 be affirmed and continued as discussed above.

As noted, MEC is requesting flexibility be built into the EE Plan to allow it to shift DSM funds between programs. MEC will provide Staff with not less than 30 days written notice of its intent to shift DSM funds between programs and, if Staff objects in writing within 30 days of the notification being docketed, MEC will not make the shift unless authorized to do so by Commission order.

EE Plan Tariff

Mohave is not requesting any change to its DSM Adjuster Mechanism or to the DSM Adder of \$0.000792 per kWh for all energy it sells under its Standard Offer Rates. The current MEC DSM Adjustment tariff is attached in Appendix 1.

Exhibit 1

Mohave Electric Cooperative Historical Usage Per Customer

MOHAVE ELECTRIC COOPERATIVE, INC.

HISTORICAL USAGE PER CUSTOMER

	2007	2008	2009	2010	2011	2012	2013	2014
<u>Actual</u>								
Residential	967	914	897	876	872	912	882	855
<u>Growth Rate</u>								
Residential		-5.48%	-1.86%	-2.34%	-0.46%	4.59%	-3.29%	-3.06%

Exhibit 2

Mohave Electric Cooperative EE Plan Benefit/Cost Analysis

MOHAVE ELECTRIC COOPERATIVE, INC. DSM EE PLAN BENEFIT/COST ANALYSIS								
Assumptions								
Actual 2014 Electricity Sales (kWh)								649,171,339
Projected Electricity Sales (kWh)								655,663,052
	Customers *4 months 2014	Total Program Actual Expense *4 months 2014	Total Program Budget	Customers	Annual Savings (kWh)	Societal Benefits	Societal Costs	Societal Test
EE/DSM Programs	4,177	\$ 39,462.56	\$ 504,823.47	12,528	2,489,310	\$ 1,408,386	\$ 793,385	1.78
Good Cents EE New Homes	-	\$ -	\$ 464.97	2	5,162	\$ 5,564.22	\$ 4,143.16	1.34
High Efficiency Heat Pumps	48	\$ 12,822.00	\$ 51,147.03	220	158,840	\$ 197,665.28	\$ 132,955.51	1.49
Operation Cool Shade	1,800	\$ 9,831.71	\$ 8,740.00	1,800	162,000	\$ 335,902.30	\$ 143,881.95	2.33
Educational Programs	220	\$ 3,177.73	\$ 6,000.00	750	75,799	\$ 15,772.98	\$ 5,752.64	2.74
CFL Give-aways	2,075	\$ 2,624.50	\$ 11,612.70	5,100	239,700	\$ 39,233.40	\$ 11,133.94	3.52
Residential Energy Audits	17	\$ 6,553.12	\$ 11,960.00	100	75,600	\$ 113,238.96	\$ 54,381.34	2.08
Residential Lighting	-	\$ 286.45	\$ 31,699.98	3,534	667,050	\$ 108,951.94	\$ 64,276.11	1.70
Low Income Weatherization	-	\$ 687.45	\$ 314,988.80	101	269,255	\$ 368,519.02	\$ 302,002.68	1.22
Refrigerator Recycling	17	\$ 3,479.60	\$ 63,266.10	318	385,416	\$ 138,529.65	\$ 49,986.67	2.77
Commercial Lighting Discount CFL	-	\$ -	\$ 3,605.94	402	331,250	\$ 62,508.36	\$ 7,311.54	8.55
Commercial Lighting	-	\$ -	\$ 1,337.95	201	119,238	\$ 22,499.44	\$ 17,559.46	1.28
Special Data Collection			\$ 6,000				Not applicable	
General Administration		\$ 5,138	\$ 8,462				Not applicable	
Total Operating Cost	4,177	\$ 44,601	\$ 519,285	12,528	2,489,310	\$ 1,408,386	\$ 793,385	1.78
Estimated Environmental Impact			Plan Year					
CO2			4,590,287					
SO2			8,513					
Nox			12,944					
Total			4,611,745					

* Note: Mohave's DSM program did not go into effect until September 2014 - Represents activity only for September - December 2014

Exhibit 3

Mohave Electric Cooperative EE Plan Budget/Estimated
Operating Costs

MOHAVE ELECTRIC COOPERATIVE, INC.

ESTIMATED OPERATING COSTS

	<u>Incentives</u>	<u>Delivery</u>	<u>Marketing</u>	<u>Evaluation</u>	<u>Admin</u>	<u>Total</u>
Good Cents EE New Homes	\$ 404	\$ -	\$ 24	\$ 6	\$ 30	\$ 465
High Efficiency Heat Pumps	\$ 44,474	\$ -	\$ 2,669	\$ 667	\$ 3,336	\$ 51,147
Operation Cool Shade	\$ -	\$ 7,600	\$ 456	\$ 114	\$ 570	\$ 8,740
Educational Programs	\$ -	\$ -	\$ 2,400	\$ 600	\$ 3,000	\$ 6,000
CFL Give-aways	\$ -	\$ 10,098	\$ 606	\$ 151	\$ 757	\$ 11,613
Residential Energy Audits	\$ -	\$ 10,400	\$ 624	\$ 156	\$ 780	\$ 11,960
Residential Lighting	\$ -	\$ 27,565	\$ 1,654	\$ 413	\$ 2,067	\$ 31,700
Low Income Weatherization	\$ 262,491	\$ 52,498	\$ -	\$ -	\$ -	\$ 314,989
Refrigerator Recycling	\$ 11,130	\$ 43,884	\$ 3,301	\$ 825	\$ 4,126	\$ 63,266
Commercial Lighting Discount CFL	\$ -	\$ 3,136	\$ 188	\$ 47	\$ 235	\$ 3,606
Commercial Lighting	\$ 1,163	\$ -	\$ 70	\$ 17	\$ 87	\$ 1,338
Subtotal	\$ 319,663	\$ 155,181	\$ 11,992	\$ 2,998	\$ 14,990	\$ 504,823
Special Data Collection	\$ -	\$ -	\$ -	\$ 6,000	\$ -	\$ 6,000
General Admin Adder	\$ -	\$ -	\$ 5,600	\$ 1,400	\$ 7,000	\$ 14,000
Total Costs	\$ 319,663	\$ 155,181	\$ 17,592	\$ 10,398	\$ 21,990	\$ 524,823

Exhibit 4

Mohave Electric Cooperative Projected Program Savings

MOHAVE ELECTRIC COOPERATIVE, INC.

PROJECTED PROGRAM SAVINGS

	<u>Plan Year</u>
REDUCTION IN KWH USAGE	
<u>Avoided kWh</u>	
Good Cents EE New Homes	5,162
High Efficiency Heat Pumps	158,840
Operation Cool Shade	162,000
Educational Programs	75,799
CFL Give-aways	239,700
Residential Energy Audits	75,600
Residential Lighting	667,050
Low Income Weatherization	269,255
Refrigerator Recycling	385,416
Commercial Lighting Discount CFL	331,250
Commercial Lighting	119,238
Total	2,489,310
REDUCTION IN KW USAGE	
<u>Avoided Peak kW</u>	
Good Cents EE New Homes	2.02
High Efficiency Heat Pumps	105.60
Operation Cool Shade	73.39
Educational Programs	19.48
CFL Give-aways	40.75
Residential Energy Audits	21.58
Residential Lighting	112.95
Low Income Weatherization	76.84
Refrigerator Recycling	109.99
Commercial Lighting Discount CFL	72.56
Commercial Lighting	26.12
Total	661.27
<u>Avoided Billing kW</u>	
	75%
Good Cents EE New Homes	18.18
High Efficiency Heat Pumps	950.40
Operation Cool Shade	660.47
Educational Programs	175.35
CFL Give-aways	366.74
Residential Energy Audits	194.18
Residential Lighting	1,016.55
Low Income Weatherization	691.58
Refrigerator Recycling	989.91
Commercial Lighting Discount CFL	653.04
Commercial Lighting	235.05
Total	5,951.45

Appendix 1

Demand Side Management Adjustment Tariff

MOHAVE ELECTRIC COOPERATIVE, INC.

1999 Arena Drive

Bullhead City, Arizona 86442

Filed By: J. Tyler Carlson

Title: CEO/General Manager

Effective Date: August 1, 2014

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**BILLING ADJUSTMENTS AND ADDERS
SCHEDULE A**

Application

The Cooperative shall include the following adjustments and adders to the charges computed under all of its Standard Offer Tariffs:

Demand Side Management (DSM) Programs; DSM Adjustment Mechanism

The Cooperative shall recover its cost for pre-approved DSM programs through a separate DSM adjustment mechanism which shall provide for a separate and specific accounting for pre-approved DSM costs.

Amount: \$0.000792